

## **Call for Proposals to Conduct Firm-level Survey on the Compliance with Private Sustainability Standards (PSS)**

### **A. Context of the survey**

Over the years in many countries tariffs have decreased and are being increasingly replaced by non tariff barriers (NTMs) such as standards (voluntary & mandatory) and technical regulations. In addition, exporters are also required to comply with private sustainability standards (PSS) imposed by the importer. Private standards are by definition not government mandated. They may be developed by specific companies, company consortia, or even by civil society organizations setting requirements for products and/or production processes. The objectives these standards purport to serve may be social, environmental, quality, safety or other.

Although not legally binding, voluntary private standards are increasingly becoming mandatory because of the market power of certain large retailers and importers that operate globally. Several private standards for food, for instance, combine food safety with environmental, health and workers' health and safety requirements. This makes compliance extremely onerous for developing-country producers and exporters. PSS increase the cost of Indian firms while trading with third countries. However, some experts have argued that producers should comply with PSS even in respect of domestic sales, and not merely for exports.

### **B. Details of the survey**

In this background, it becomes important to understand the incidence and impact of private sustainability standards on India's exports through a survey. Centre for WTO Studies will fund the survey. The proposed survey will cover the following six sectors: food processing, textiles & clothing, leather, chemical & pharmaceuticals, wood products and marine (fisheries). Fifty firms in each of the six sectors would be surveyed. The survey will seek information on the following aspects:

- i. Incidence of exports complying with PSS certification;
- ii. Perceived gains of complying with PSS certification;
- iii. Instances of multiple PSS on the same product in different markets;
- iv. Instances of denial of market access for failure to comply with PSS certification;
- v. Cost of PSS certification as a share in per unit export price;
- vi. Extent to which cost on account of PSS certification raises the export price;
- vii. Difficulties in obtaining the PSS certification;

- viii. Nature of compliance required for obtaining the PSS (production process /labour welfare/ environmental compliance / hygiene measures/ electricity conservation etc.);
- ix. Periodicity of certification;
- x. Impact of PSS certification on overall quality of product;
- xi. Views on desirability of adopting PSS for domestic sales.

### **C. Timeline for the survey**

While conducting the survey, the following timelines will be adhered to:

Commencement of the survey	1 May 2017
Mid-term review of survey	10 June 2017
Completing the survey	15 July 2017
Submission of the draft report including analysis of survey responses	31 July 2017
Submission of the final report after addressing all comments	15 August 2017

### **D. Proposal Requirements**

Interested Institutions are requested to send Technical and Financial proposals in separate sealed envelopes to the Centre for WTO Studies by 10<sup>th</sup> April, 2017.

The Technical Proposal shall consist of the following:

- a) Details of prior experience of the organisation in undertaking surveys on trade and related issues.
- b) Bio-Data of the survey team
- c) A short note explaining why the applicant thinks it is competent to conduct this survey within the time frame specified
- d) Details of the survey questionnaire; and
- e) Tools for analyzing the survey data;

Financial Proposal shall consist of the overall cost of undertaking the survey, analysis of the data and preparing the report.

### **E. Schedule of Payment**

The following payment schedule shall apply in respect of the selected organisation:

40% of the fee at the commencement of the survey;

30% of the fee on submission of the draft report covering all elements of the terms of Reference;

20% of the fee on addressing all suggestions and comments that may be received and submitting the final report; and

10% of the fee on acceptance of the final report by the Centre for WTO Studies.

**F. Other important aspects**

The report in full along with all the filled survey responses, working sheets and drafts shall be the property of the CWS and the intellectual property vested in the same shall also belong to the CWS.

The report shall not be reproduced in any form either wholly or partially.

CWS shall be free to use the report in any manner it may deem fit subject to any other binding commitments that it may have with any other party.

**The Technical and Financial proposals should reach (in separate sealed envelopes) the address given below not later than April 10<sup>th</sup>, 2017.**

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